

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

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August 22, 2023

The Honorable Lina M. Khan, Chair
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, D.C. 20580

Dear Chair Khan,

The Committee on Oversight and Accountability is writing to request information about the Federal Trade Commission's (FTC) role in the Indo-Pacific Economic Framework (IPEF). While the U.S. Trade Representative (USTR) and Department of Commerce are leading IPEF negotiations, the Committee understands that the FTC has sent its own staff to participate. The Committee is also aware of a letter sent from the FTC and the Department of Justice's (DOJ) Antitrust Division seeking to influence USTR negotiations.¹ The Committee is concerned that the FTC is using negotiations to reduce trade barriers in order to dictate FTC antitrust policies.

The United States has considerable economic and national security interests in the Indo-Pacific region, and IPEF is important in countering China's influence there. IPEF should support U.S. political and economic goals while helping this region grow and realize its potential. Trade rules that encourage the free flow of information and manufactured goods will help ensure a safer and more stable Indo-Pacific region which represents forty percent of global gross domestic product.² This can be accomplished without ceding U.S. leadership in digital trade.

However, FTC and DOJ officials reportedly wrote to USTR on March 22, 2023, demanding that IPEF incorporate political goals sought by the FTC.³ Specifically, the FTC is seeking to dictate U.S. positions on provisions related to digital trade and competition. It appears the FTC is going beyond its authority to undermine U.S. businesses abroad. IPEF should be guided by previous upstanding U.S. trade agreements to address challenges to international trade and not utilized as a means to export FTC's political goals. In order to maintain U.S. leadership in the digital marketplace, the FTC must support the highest standards for digital trade, ensuring that data can

¹ Letter from Hon. Ron Wyden, Chairman, S. Comm. On Finance, to Hon. Lisa Khan, Chair, Fed. Trade Comm. (April 28, 2023).

² United States Trade Representative, *Indo-Pacific Economic Framework for Prosperity (IPEF)* (last visited July 24, 2023), <https://ustr.gov/trade-agreements/agreements-under-negotiation/indo-pacific-economic-framework-prosperity-ipef>.

³ Gavin Bade, POLITICO, *Sullivan plans major economic speech Thursday* (Apr. 24, 2023), <https://www.politico.com/newsletters/weekly-trade/2023/04/24/sullivan-plans-major-economic-speech-thursday-00093446>.

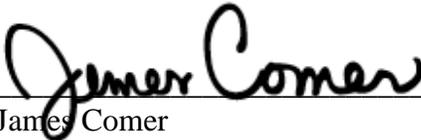
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move across borders in a protected fashion and that competition enforcement mechanisms do not discriminate against American companies.

In order to understand FTC's role in IPEF negotiations, please provide the letter sent by FTC and DOJ to USTR on March 22, 2023, no later than September 5, 2023.

To arrange for the delivery of responsive documents or ask any related follow-up questions, please contact Committee on Oversight and Accountability Majority Staff at (202) 225-5074. The Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. Thank you in advance for your cooperation with this inquiry.

Sincerely,

A handwritten signature in black ink that reads "James Comer". The signature is written in a cursive style with a horizontal line underneath the name.

James Comer
Chairman
Committee on Oversight and Accountability

cc: The Honorable Jamie B. Raskin, Ranking Member
Committee on Oversight and Accountability